

PROVIDING FOR THE CONSIDERATION OF H.R. 2400, THE  
BUILDING EFFICIENT SURFACE TRANSPORTATION AND  
EQUITY ACT OF 1997 (BESTEA)

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MARCH 31, 1998.—Referred to the House Calendar and ordered to be printed

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Mr. DREIER, from the Committee on Rules,  
submitted the following

REPORT

[To accompany H. Res. 405]

The Committee on Rules, having had under consideration House Resolution 405, by a nonrecord vote, report the same to the House with the recommendation that the resolution be adopted.

BRIEF SUMMARY OF PROVISIONS OF RESOLUTION

The resolution provides for the consideration of H.R. 2400, the “Building Efficient Surface Transportation and Equity Act of 1997 (BESTEA)” under a modified closed rule. The rule provides for two and one half hours of general debate, with 2 hours divided equally between the chairman and ranking minority member of the Committee on Transportation and Infrastructure and 30 minutes divided equally between the chairman and ranking minority member of the Committee on Ways and Means. The rule waives all points of order against consideration of the bill.

The rule makes in order the amendment in the nature of a substitute as recommended by the Committee on Transportation and Infrastructure, as modified by the amendment recommended by the Committee on Ways and Means now printed in the bill and as modified by the amendment printed in part 1 of this report, as an original bill for purpose of amendment which shall be considered as read. The rule also waives all points of order against consideration of the amendment in the nature of a substitute, as modified.

The rule makes in order only those amendments printed in part 2 of this report and waives all points of order against the amendments.

The rule also provides that the amendments made in order under part 2 of this report shall be considered only in the order specified,

shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for a division of the question in the House or in the Committee of the Whole.

Further, the rule allows the Chairman of the Committee of the Whole to postpone votes during consideration of the bill, and to reduce voting time to five minutes on a postponed question if the vote follows a fifteen minute vote. Finally, the rule provides for one motion to recommit, with or without instructions.

SUMMARY OF AMENDMENTS MADE IN ORDER UNDER THE RULE TO H.R. 2400, THE BUILDING EFFICIENT SURFACE TRANSPORTATION AND EQUITY ACT OF 1997 (BESTEA)

## PART 1

### *Amendment Considered as Adopted*

Hayworth/Redmond/Stump: Sense of Congress that offsets to spending above the CBO baseline described in section 1001 should not be taken from veterans' programs.

## PART 2

### *Amendments to be Considered Under the Rule*

Shuster—10 minutes: Manager's amendment.

Davis (IL)—20 minutes: Amends section 330 to increase funding from \$42 million to \$150 million for transportation services to assist welfare recipients to and from jobs and activities related to their employment.

Roukema—60 minutes: Ensures that transportation contracts will be awarded to the lowest responsive bidder, without regard to race, color, national origin, or sex.

Graham No. 15—20 minutes: Strikes section 102(8), section 103(b), section 127, section 332, sections 333—provisions authorizing all demonstration projects including highway and mass transit (rail and bus), saving approximately \$18 billion.

Spratt No. 30—20 minutes: Amendment in the nature of a substitute. Continues the current, temporary extension of highway and mass transit programs until July 1, 1998, to remove the need to pass BESTEA before the Easter recess.

Kasich—30 minutes: Amendment in the nature of a substitute. The Kasich Transportation Turnback Amendment provides a 4 year transition period to: lower the Federal gas tax by 11 cents per gallon; eliminate most highway trust fund programs; relieve States of myriad Federal restrictions and regulations; and remove Federal roadblocks to infrastructure privatization. The substitute retains core Federal programs consisting of Interstate Maintenance, construction and maintenance of roads on Federal Lands, maintenance of National Security Highways, Emergency Relief, Highway Safety Programs, and General Fund Support for Transit

## PART I

Amendment considered as adopted by the rule:

At the end of title X (page 511, after line 21), insert the following new section:

**SEC. 1002. SENSE OF CONGRESS WITH RESPECT TO VETERANS PROGRAMS.**

It is the sense of Congress that provisions referred to in section 1001(c) that are to be contained in this Act to offset increases described in that section in outlays from the Highway Trust Fund should not include any provision making a change in programs or benefits administered by the Secretary of Veterans Affairs.

**PART II**

**1. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE SHUSTER OF PENNSYLVANIA, OR A DESIGNEE, DEBATABLE FOR 10 MINUTES**

In section 109(b)—

(1) redesignate paragraphs (1) through (4) as paragraphs (2) through (5), respectively; and

(2) insert before paragraph (2) (as so redesignated) the following:

(1) by striking “that was designated as a nonattainment area under section 107(d) of the Clean Air Act (42 U.S.C. 7407(d)) during any part of fiscal year 1994” and inserting the following: “that is or was designated as a nonattainment area for ozone, carbon monoxide, or particulate matter under section 107(d) of the Clean Air Act (42 U.S.C. 7407(d)) and classified pursuant to section 181(a), 186(a), 188(a), or 188(b) of the Clean Air Act (42 U.S.C. 7511(a), 7512(a), 7513(a), or 7513(b)) or is or was designated as a nonattainment area under such section 107(d) after December 31, 1997,”;

In section 109 of the bill—

(1) redesignate subsection (c) as subsection (d); and

(2) insert after subsection (b) the following:

(c) **PUBLIC-PRIVATE PARTNERSHIPS.**—Section 149 is amended by adding at the end the following:

“(e) **PARTNERSHIPS WITH NONGOVERNMENTAL ENTITIES.**—

“(1) **IN GENERAL.**—Notwithstanding any other provision of this title and in accordance with this subsection, a metropolitan planning organization, State transportation department, or other project sponsor may enter into an agreement with any public, private, or nonprofit entity to cooperatively implement any project carried out under this section.

“(2) **FORMS OF PARTICIPATION BY ENTITIES.**—Participation by an entity under paragraph (1) may consist of—

“(A) ownership or operation of any land, facility, vehicle, or other physical asset associated with the project;

“(B) cost sharing of any eligible project expense; and

“(C) any other form of participation approved by the Secretary.

“(3) **ALLOCATION OF ENTITIES.**—A State may allocate funds apportioned under section 104(b)(2) to an entity described in paragraph (1).

“(4) **ALTERNATIVE FUEL PROJECTS.**—In the case of a project that will provide for the use of alternative fuels by privately

owned vehicles or vehicle fleets, activities eligible for funding under this subsection—

“(A) may include the costs of vehicle refueling infrastructure, including infrastructure that would support the development, production, and use of innovative water-phased hydrocarbon fuel emulsion technologies, and other capital investments associated with the project;

“(B) shall include only the incremental cost of an alternative fueled vehicle compared to a conventionally fueled vehicle that would otherwise be borne by a private party; and

“(C) shall apply other governmental financial purchase contributions in the calculation of net incremental cost.

“(5) PROHIBITION ON FEDERAL PARTICIPATION WITH RESPECT TO REQUIRED ACTIVITIES.—A Federal participation payment under this subsection may not be made to an entity to fund an obligation imposed under the Clean Air Act (42 U.S.C. 7401 et seq.) or any other Federal law.

“(6) WATER-PHASED HYDROCARBON FUEL EMULSION.—In this subsection, the term ‘water-phased hydrocarbon fuel emulsion’ consists of a hydrocarbon base and water in an amount not less than 20 percent by volume of the total water-phased fuel emulsion.”.

In the matter proposed to be inserted as section 206(e)(1)(K) of title 23, United States Code, by section 114(a) of the bill, insert “of 1969” after “National Environmental Policy Act”.

In the last sentence of section 111(d) of the bill, strike “fiscal year 1998, 1999, 2000, 2001, 2002, or 2003, as the case may be” and insert “the fiscal year beginning after September 30, 1997”.

In section 117(b) of the bill—

- (1) strike “and” at the end of paragraph (1);
- (2) redesignate paragraph (2) as paragraph (3); and
- (3) insert after paragraph (1) the following:

(2) in subsection (d)—

(A) by inserting “INDIAN RESERVATION ROADS.—” after “(d)”;

(B) by inserting “(1) FOR FISCAL YEARS ENDING BEFORE OCTOBER 1, 1999.—” before “On October”;

(C) by inserting after “each fiscal year” the following: “ending before October 1, 1999”;

(D) by adding at the end the following:

“(2) FISCAL YEAR 2000 AND THEREAFTER.—

“(A) IN GENERAL.—All funds authorized to be appropriated for Indian reservation roads shall be allocated among Indian tribes for fiscal year 2000 and each subsequent fiscal year in accordance with a formula established by the Secretary of the Interior under a negotiated rule-making procedure under subchapter III of chapter 5 of title 5.

“(B) REGULATIONS.—Notwithstanding sections 563(a) and 565(a) of title 5, the Secretary of the Interior shall issue regulations governing the Indian reservation roads program, and establishing the funding formula for fiscal year 2000 and each subsequent fiscal year under this para-

graph, in accordance with a negotiated rulemaking procedure under subchapter III of chapter 5 of title 5. The regulations shall be issued in final form not later than April 1, 1999, and shall take effect not later than October 1, 1999.

“(C) NEGOTIATED RULEMAKING COMMITTEE.—In establishing a negotiated rulemaking committee to carry out subparagraph (B), the Secretary of the Interior shall—

“(i) apply the procedures under subchapter III of chapter 5 of title 5 in a manner that reflects the unique government-to-government relationship between the Indian tribes and the United States; and

“(ii) ensure that the membership of the committee includes only representatives of the Federal Government and of geographically diverse small, medium, and large Indian tribes.

“(D) BASIS FOR FUNDING FORMULA.—The funding formula established for fiscal year 2000 and each subsequent fiscal year under this paragraph shall be based on factors that reflect—

“(i) the relative needs of the Indian tribes, and reservation or tribal communities, for transportation assistance; and

“(ii) the relative administrative capacities of, and challenges faced by, various Indian tribes, including the cost of road construction in each Bureau of Indian Affairs area, geographic isolation and difficulty in maintaining all-weather access to employment, commerce, health, safety, and educational resources.”; and

(E) by indenting paragraph (1), as designated by subparagraph (B) of this paragraph, and aligning paragraph (1) with paragraph (2), as added by subparagraph (D) of this paragraph; and

In section 117(d) of the bill—

(1) strike “and” at the end of paragraph (3);

(2) strike the period at the end of paragraph (4) and insert “; and”; and

(3) add at the end the following:

(5) by adding at the end the following:

“(k) SET-ASIDE FOR ADMINISTRATIVE EXPENSES OF INDIAN TRIBES.—

“(1) IN GENERAL.—Up to 1 percent of the funds made available for Indian reservation roads for each fiscal year shall be set aside by the Secretary of the Interior for transportation-related administrative expenses of Indian tribal governments.

“(2) DISTRIBUTION.—The Secretary of the Interior shall make available to each Indian tribal government with an approved application under paragraph (3) an equal percentage of any sum set aside pursuant to paragraph (1).

“(3) APPLICATIONS.—To receive funds under this paragraph, an Indian tribal government must submit to the Secretary of the Interior for approval an application in accordance with the requirements of the Indian Self-Determination and Education Assistance Act. The Secretary of the Interior shall approve any such application that demonstrates that the applicant has the

capability to carry out transportation planning activities or is in the process of establishing such a capability.

“(1) APPROVAL OF INDIAN RESERVATION ROAD PROJECTS BY THE SECRETARY.—

“(1) ESTABLISHMENT OF PILOT PROGRAM.—The Secretary shall establish a pilot program (hereinafter in this subsection referred to as the ‘program’) for the purposes described in paragraph (2) and shall carry out such program in each of fiscal years 1999 through 2003.

“(2) PURPOSE.—The purpose of the program shall be to permit an Indian tribal government to apply directly to the Secretary for authorization to conduct projects on Indian reservation roads using amounts allocated to the Indian tribal government under the Indian reservation roads program.

“(3) TREATMENT AS STATES.—Except as otherwise provided by the Secretary, an Indian tribal government submitting an application to the Secretary under the program shall be subject to the same requirements as a State applying for approval of a Federal-aid highway project.

“(4) SELECTION OF PARTICIPANTS.—

“(A) APPLICATIONS.—An Indian tribal government seeking to participate in the program shall submit to the Secretary an application which is in such form and contains such information as the Secretary may require.

“(B) MAXIMUM NUMBER OF PARTICIPANTS.—The Secretary shall select not more than 10 Indian tribal governments to participate in the program.

“(5) TECHNICAL ASSISTANCE.—The Secretary, in cooperation with the Secretary of the Interior, shall provide technical assistance to Indian tribal governments participating in the program.

“(6) TRANSITIONAL ASSISTANCE.—Upon request of the Secretary, the Secretary of the Interior shall provide to the Secretary such assistance as may be necessary for implementation of the program.

“(7) REPORT.—Not later than September 30, 2001, the Secretary shall transmit to Congress a report on the results of the program. In developing such report, the Secretary shall solicit the comments of Indian tribal governments participating in the program.”.

In section 120 of the bill—

(1) redesignate subsections (a), (b), and (c), as subsections (b), (c), and (d), respectively; and

(2) insert before subsection (b) (as so redesignated) the following:

(a) INCREASED FEDERAL SHARE FOR CERTAIN SAFETY PROJECTS.—The first sentence of section 120(c) is amended by inserting “and transit vehicles” after “emergency vehicles”.

In the matter proposed to be inserted after the second sentence of paragraph (1) of section 135(f) of title 23, United States Code, by section 125(d)(1) of the bill, strike “elected” each place it appears.

In section 127(b) of the bill, strike “Section 104” and all that follows through the first colon and insert the following:

(1) IN GENERAL.—Section 104 is amended by redesignating subsection (j) as subsection (k), and by inserting after subsection (i) the following:

At the end of section 127(b) of the bill, insert the following:

(2) DIVISION OR SEGMENTATION OF PROJECTS.—Section 145 is amended—

(A) by inserting “(a) PROTECTION OF STATE SOVEREIGNTY.—” before “The authorization”; and

(B) by adding at the end the following:

“(b) DIVISION OR SEGMENTATION OF PROJECTS.—

“(1) IN GENERAL.—A State carrying out a project with funds made available by section 104(j) of this title or section 1103, 1104, 1105, 1106, 1107, or 1108 of the Intermodal Surface Transportation Efficiency Act of 1991 or section 149(b) or 149(c) of the Surface Transportation and Uniform Relocation Assistance Act of 1987 may divide or segment the project if such division or segmentation meets the standards established by the Secretary for division or segmentation (as the case may be) of projects under the National Environmental Policy Act of 1969.

“(2) AUTHORITY OF STATES TO CONSTRUCT WITHOUT FEDERAL ASSISTANCE.—Any portion of any project divided or segmented under this section may be constructed without Federal assistance.”

In the table contained in section 127(c) of the bill—

(1) in item 3 strike “0.750” and insert “1.000”;

(2) in item 5 strike “2 miles south of Biwabik” and insert “CR-535”;

(3) in item 6 strike “7.000” and insert “6.000”;

(4) in item 8 after “\$2,000,000” insert the following: “for the S. 277th St./UP project in Auburn/Kent, \$2,000,000 for the S. 180th St. project in Tukwila, \$1,000,000 for the 8th St. E/B SNF project in Pierce Co., and \$1,500,000 for the Shaw Rd. extension and Puyallup”;

(5) in item 11 strike “Construct” and all that follows through “Los” and insert “Upgrade access to Sylmar/San Fernando Metrolink Station and Westfield Village, Los Angeles”;

(6) in item 19 strike “15.000” and insert “8.150”;

(7) in item 32—

(A) strike “to establish” and insert a comma;

(B) strike “and center”; and

(C) insert “Bayonne,” before “Elizabeth”;

(8) in item 43—

(A) strike “Missouri” and insert “West Virginia”;

(B) strike “Construct” and all that follows through “St. Louis” and insert “Construct I-73/74 Corridor, including an interchange with US-460, Mercer County”; and

(C) strike “1.200” and insert “15.000”;

(9) in item 74 strike “1.520” and insert “1.920”;

(10) in item 80 strike “Bibb” and insert “Perry”;

(11) in item 90 strike “5.290” and insert “3.385”;

(12) in item 95—

(A) strike “work” and insert “construction”; and

(B) strike “I-65” and insert “city of Huntsville”;

- (13) in item 104 strike “5.000” and insert “19.200”;
- (14) in item 108 strike “Design” and all that follows through “bypass,” and insert “Preliminary engineering and right-of-way acquisition for ‘Intertown South’ route of US 31 bypass, Emmet County;
- (15) in item 129—
  - (A) strike “209” and insert “290”; and
  - (B) strike “16.000” and insert “18.000”;
- (16) in item 133 strike “Kaumualili” and insert “Kaumualii”;
- (17) in item 135—
  - (A) strike “Illinois” and insert “West Virginia”;
  - (B) strike “Construct” and all that follows through “Chicago” and insert “Construct Shawnee Parkway between junction with I-73/74 corridor and I-77”; and
  - (C) strike “1.000” and insert “5.000”;
- (18) in item 142 strike “to Bowstring River” and insert “and Highway 1”;
- (19) in item 143 strike “0.500” and insert “4.500”;
- (20) in item 148 strike “I-69” and insert “I-96”;
- (21) in item 162 strike “Bro” and insert “Brownsville”;
- (22) in item 194 strike “Construct” and all that follows through “replacement)” and insert “Replacement and renovation of Carlton Bridge, Bath/Woolwich”;
- (23) in item 196 strike “Tutilla Island” and insert “Tutuila/Manua Islands”;
- (24) in item 208—
  - (A) strike “on” and insert “an”; and
  - (B) strike “1.600” and insert “1.200”;
- (25) in item 216 strike “8.000” and insert “14.000”;
- (26) in item 227 strike “14.000” and insert “19.000”;
- (27) in item 237 insert “on Telegraph Road” after “boulevard”;
- (28) strike item 244 and insert the following:

244.	Indiana .....	Upgrade 93rd Avenue in Merrillville .....	5.900
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- (29) in item 248 strike “3.000” and insert “4.000”;
- (30) in item 254 strike “Angelese” and insert “Angeles”;
- (31) in item 258 strike “0.170” and insert “0.400”;
- (32) in item 262 insert “, San Ysidro” after “Yard”;
- (33) strike item 286 and insert the following:

286.	Indiana .....	Construct Marina Access Road in East Chicago .....	1.000
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- (34) in item 300 strike “7.000” and insert “8.000”;
- (35) in item 303 strike “13.000” and insert “12.000”;
- (36) in item 342—
  - (A) strike “Construct” and insert “Reconstruct”;
  - (B) strike “to” and insert “at”; and
  - (C) strike “8.000” and insert “15.000”;

- (37) in item 381 strike “Construct” and all that follows through “Westfield” and insert “Design, engineer, and right-of-way acquisition of the Great River Bridge, Westfield”;
- (38) in item 391 strike “Kapkowsk” and insert “Kapowski”;
- (39) in item 394 strike “10.310” and insert “2.000”;
- (40) in item 415 after “College” insert “, including a new interchange on S.R. 0029”;
- (41) in item 444—
  - (A) after “Project” insert “in Passaic County”; and
  - (B) after “for the Route” the last place it appears insert “46/Union Blvd. Interchange reconstruction project”;
- (42) in item 447 strike “Destrehan Ave. and Lapalco Blvd.” and insert “Barataria Blvd. and US Hwy. 90”;
- (43) in item 474 strike “9.500” and insert “7.500”;
- (44) in item 478 insert “in Murfreesboro” after “River”;
- (45) in item 482 strike “Kawahiihee” and insert “Kawaihae”;
- (46) in item 484 strike “Upgrade” and insert “Operational improvements on”;
- (47) in item 497 strike “40” and insert “45”;
- (48) in item 535 strike “2.000” and insert “4.500”;
- (49) in item 544 strike “3.500” and insert “1.900”;
- (50) in item 558 strike “4.000” and insert “5.000”;
- (51) in item 564 strike “0.250” and insert “0.500”;
- (52) in item 596 strike “1.000” and insert “0.500”;
- (53) in item 610 strike “Upgrade” and all that follows through “Hill” and insert “Alternative transportation systems”;
- (54) in item 613 strike “Upgrade” and insert “Operational improvements on”;
- (55) in item 615 strike “Construct” and all that follows through “Los Angeles” and insert “Upgrade CA Rt. 2 Southern Freeway terminus and transportation efficiency improvements to Glendale Blvd. in Los Angeles”;
- (56) in item 619—
  - (A) strike “George” and insert “Georgia”; and
  - (B) strike “4.000” and insert “5.000”;
- (57) in item 625—
  - (A) strike “Ohio” and insert “West Virginia”;
  - (B) “Construct” and all that follows through “Lorain” and insert “Construct I-73/74 Corridor including connectors with WV Rt. 44 and Co. Rt. 13 (Gilbert Creek), Mingo County”; and
  - (C) strike “2.400” and insert “10.000”;
- (58) in item 636 strike “2.000” and insert “2.197”;
- (59) strike item 662 and insert the following:

662. Louisiana ....	Construct the Zachary Taylor Park-way project .....	1.000
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- (60) in item 717 strike “0.750” and insert “1.000”;
- (61) in item 735 strike “the airport” and insert “Commerce Blvd.”;
- (62) strike item 738 and insert the following:

738.	North Carolina.	Upgrade US-158 in Warren and Halifax Counties .....	3.000
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(63) in item 759 strike “Williamsport” and insert “Lycoming County”;

(64) in item 831 strike “23.500” and insert “1.500”;

(65) in item 846 strike “14.750” and insert “12.000”;

(66) in item 847 insert “Construct” before “Ontario”;

(67) in item 857 strike “10.000” and insert “15.000”;

(68) in item 884 strike “I-15” and insert “I-10”;

(69) in item 859 strike “4.300” and insert “2.000”;

(70) in item 872 strike “5.000” and insert “5.250”;

(71) in item 887 strike “Hourma” and insert “Houma”;

(72) in item 913 strike “Engineering” and all that follows through “construction of” and insert “Engineer, acquire right-of-way, and construct”;

(73) in item 926 strike “Construct” and insert “Acquire right-of-way and construct”;

(74) in item 939 insert after “FM521” insert “and dedicate \$630,000 to the acquisition of right-of-way in Brazoria County”;

(75) in item 961 strike “County”;

(76) in item 971 strike “12.000” and insert “7.000”.

(77) in item 993 strike “1.500” and insert “23.500”;

(78) in item 1033 strike “12.000” and insert “11.000”;

(79) in item 1044 after “Kentucky” the first place it appears, insert “and Indiana”;

(80) strike item 1049 and insert the following:

1049.	New York ....	Construct CR-3 at Southern State Parkway overpass between Long Island Expressway and Colonial Springs .....	1.400
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(81) in item 1079 strike “10.200” and insert “12.500”;

(82) in item 1103 strike “Evergreen County” and insert “the city of Evergreen in Jefferson County”;

(83) in item 1125 strike “I-80” and insert “I-180”;

(84) in item 1150—

(A) strike “to Adirondack”; and

(B) strike “14.000” and insert “14.200”;

(85) in item 1197 strike “Conduct” and all that follows through “of” and insert “Construct”;

(86) in item 1206 insert after “Michigan” the second place it appears the following: “by extending 36th Street, improving 48th Street, and constructing the I-96/Whitneyville Interchange”;

(87) in item 1213 strike “4.800” and insert “5.410”;

(88) strike item 1238 and insert the following:

1238.	Alabama .....	Construct Eastern Black Warrior River Bridge and acquire right-of-way and construct an extension of the Black Warrior Parkway from US-82 to US-43 in Tuscaloosa County .....	23.000
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(89) in item 1291 strike "15.000" and insert "16.000";

(90) in item 1353 strike "in Hancock" and insert "from SR-235 in Hancock County to the Ontario Bypass in Richland County";

(91) strike item 1362 and insert the following:

1362.	Pennsyl- vania.	Conduct preliminary engineering on the relocation of exits 4 and 5 on I-83 in York County .....	2.000
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(92) in item 1368 strike "6.000" and insert "5.000";

(93) in item 1373 strike "Reconstruct" and all that follows through "Yakima" and insert the following: "Reconstruct I-82/SR-24 intersection and add lanes on SR-24 to Keys Road";

(94) in item 1379 strike "US-127" and insert "US-231";

(95) in item 1387 strike "San Bernardino" and insert "Victorville/Apple Valley";

(96) in item 1412 insert a slash after "Office";

(97) in item 1423 strike "4.825" and insert "4.740";

(98) in item 1443 strike "Construct" and all that follows through "Road" and insert the following: "Conduct preliminary engineering, acquire right-of-way, and construct I-75/North Down River Road interchange";

(99) in item 1444 strike "CR-96" and insert "CR-82"; and

(100) after item 1467 insert the following:

1468.	Kansas .....	Construct Phase II improvements to US-59 from US-56 to Ottawa .....	10.000
1469.	Pennsyl- vania.	Rehabilitate Kenmawr Bridge, Swissvale .....	0.450
1470.	Pennsyl- vania.	Construct Steel Heritage Trail between Glenwood Bridge to Clairton via McKeesport .....	0.482
1471.	Illinois .....	Construct Technology Ave. between US Rt. 45 East to Willenborg St., Effingham .....	2.735
1472.	Pennsyl- vania.	Conduct preliminary engineering and design for US-219 bypass of Bradford .....	1.000

1473.	Texas .....	Construct relief route around Alice	0.250
1474.	Ohio .....	Upgrade State Rt. 18 between I-71 and I-77 .....	2.400
1475.	Illinois .....	Upgrade St. Marie Township Rd., Jasper County .....	0.036
1476.	Illinois .....	Upgrade US 40 in Martinsville .....	0.094
1477.	Michigan .....	Repair 48th Ave., Menominee .....	0.270
1478.	Illinois .....	Undertake improvements to Cam- pus Transportation System, Chi- cago .....	2.000
1479.	Maine .....	Construct I-95/Stillwater Avenue interchange .....	2.000
1480.	Maine .....	Improve Route 26 .....	1.500
1481.	Maine .....	Improve Route 23 .....	0.500
1482.	Massachu- setts.	Construct Minuteman Commuter Bikeway—Charles River Bikeway connector, Cambridge and Water- town .....	0.750
1483.	Massachu- setts.	Construct Cambridge Roadways Im- provement project, Cambridge .....	3.000
1484.	Massachu- setts.	Upgrade Sacramento Street under- pass, Somerville .....	0.250
1485.	Massachu- setts.	Reconstruct roadways, Somerville ...	3.000
1486.	Michigan .....	Construct improvements to 23 Mile Rd. between Mound Rd. and M- 53, Macomb .....	3.000
1487.	Minnesota ...	Conduct study of potential for diver- sion of traffic from the I-35 cor- ridor to commuter rail, Chisago County north of Forest Lake along I-35 corridor to Rush City	0.500
1488.	Minnesota ...	Construct Elk River bypass from 171st Ave. at Highway 10 to intersection of County Roads 12 and 13 at Highway 169 .....	3.200

1489.	Minnesota ...	Construct grade separated interchange at south junction of TH 371/Brainerd bypass .....	1.000
1490.	New York ....	Construct Fordham University regional transportation facility .....	3.000
1491.	New York ....	Construct bike paths in the Riverdale section of the Bronx .....	0.500
1492.	New York ....	Construct Phase II of the City of Mount Vernon's New Haven Railroad Redevelopment .....	2.000
1493.	New York ....	Construct Bike Paths along the Bronx River in Bronx Park .....	0.500
1494.	New York ....	Rehabilitate transportation facilities in CO-OP City .....	1.000
1495.	New York ....	Construct sound barriers on both sides of Grand Central Parkway between 172nd St. to Chevy Chase Rd .....	1.940
1496.	New York ....	Construct sound barriers on east side of Clearview Expressway between 15th Rd. and Willets Point Blvd. ....	0.400
1497.	New York ....	Construct sound barriers on Grand Central Parkway between 244th St. and Douglaston Parkway .....	0.500
1498.	New York ....	Rehabilitate roads, Village of Great Neck .....	0.160
1499.	Tennessee ...	Construct pedestrian and bicycle pathway to connect with the Mississippi River Trail, and restore adjacent historic cobblestones on riverfront, Memphis .....	3.000
1500.	Texas .....	Expand Winters Freeway (US83/84) in Abilene between Southwest Drive and US 277 .....	11.200
1501.	New York ....	Reconstruct Springfield Blvd. between the Long Island Rail main line south to Rockaway Blvd., Queens County .....	4.000

1502.	Pennsyl- vania.	Construct Frazier Township inter- change on SR-28 in Allegheny .....	3.000
1503.	Minnesota ...	Reconstruct St. Louis CSAH 9 (Wal- lace Avenue) in Duluth .....	0.600
1504.	California ....	Reimburse costs associated with the relocation and protection work performed relating to pipelines, cables, and other facilities im- pacted by the construction of the Mid-Trench section of the Ala- meda Corrido project .....	5.350
1505.	Ohio .....	Construct grade separation at Dille Road in Euclid .....	5.000
1506.	Nevada .....	Widen I-15 from the California State line to Las Vegas .....	2.500
1507.	Nevada .....	Improve at-grade railroad crossings in Reno .....	2.500

At the end of section 133 of the bill, add the following:

(h) SURVEY OF STATE PRACTICES ON SPECIFIC SERVICE SIGNING.—

(1) STUDY.—The Secretary shall conduct a study to determine the practices in the States for specific service food signs described in sections 2G-5.7 and 2G-5.8 of the Manual on Uniform Traffic Control Devices for Streets and Highways. The study shall, at a minimum, examine—

(A) the practices of States for determining businesses eligible for inclusion on such signs;

(B) whether States allow businesses to be removed from such signs and the circumstances for such removal;

(C) the practices of States for erecting and maintaining such signs, including the time required for erecting such signs;

(D) whether States contract out the erection and maintenance of such signs; and

(E) a survey of States' practices on the issues identified in subparagraphs (A) through (D).

(2) REPORT.—Before the last day of the 1-year period beginning on the date of the enactment of this Act, the Secretary shall transmit to Congress a report on the results of the study, including such recommendations and modifications to the Manual as the Secretary determines appropriate as a result of the study. Such modifications may be made as part of any revision to the Manual.

In section 136(a)(1) of the bill, redesignate subparagraphs (B), (C), (D), (E), and (F) as subparagraphs (C), (D), (E), (F), and (G), respectively, and strike subparagraph (A) and insert the following:

(A) by striking paragraph (5)(B)(iii)(I)(ff) and inserting the following:

“(ff) South Carolina State line to the Myrtle Beach Conway region to Georgetown, South Carolina, including a connection to Andrews following the route 41 corridor and to Manning following the U.S. Route 521 corridor; and”;

(B) by striking paragraph (5)(B)(iii)(II)(hh) and inserting the following:

“(hh) South Carolina State line to the Myrtle Beach Conway region to Georgetown, South Carolina.”.

In the matter proposed to be inserted as paragraph (34) of section 1105(c) of the Intermodal Surface Transportation Efficiency Act of 1991 by section 136(a)(1)(F) of the bill—

(1) insert after “Alameda Corridor East” the following: “and Southwest Passage, California. The Alameda Corridor East is”; and

(2) insert after “Bernardino.” the following: “The Southwest Passage shall follow I–10 from San Bernardino to the Arizona State line and I–8 from San Diego to the Arizona State line.”.

Strike the closing quotation marks and the final period at the end of the matter proposed to be inserted as paragraph (39) of section 1105(c) of the Intermodal Surface Transportation Efficiency Act of 1991 by section 136(a)(1)(F) of the bill and insert the following:

“(40) United States Route 277/United States Route 83 Corridor between I–44 in Wichita Falls, Texas, and I–20 in Abilene, Texas.”.

In section 140 of the bill—

(1) insert “(a) CONTRACTING PROCEDURES.—” before “Section 112(b)(2)”; and

(2) insert at the end the following:

(b) SELECTION PROCESS.—Section 112 is further amended by adding at the end the following:

“(g) SELECTION PROCESS.—A State may procure, under a single contract, the services of a consultant to prepare any environmental impact assessments or analyses required, including environmental impact statements, as well as subsequent engineering and design work on the same project if the State has conducted a review that assesses the objectivity of any analysis, environmental assessment, or environmental impact statement prior to its submission to the Secretary.”.

After section 143 of the bill, insert the following:

#### **SEC. 144. SUBSTITUTE PROJECT.**

(a) APPROVAL OF PROJECT.—Notwithstanding any other provision of law, upon the request of the Mayor of the District of Columbia, the Secretary may approve substitute highway and transit projects under section 103(e)(4) of title 23, United States Code, as in effect on the day before the date of the enactment of this Act, in lieu of construction of the Barney Circle Freeway project in the District of Columbia, as identified in the 1991 Interstate Cost Estimate.

(b) ELIGIBILITY FOR FEDERAL ASSISTANCE.—Upon approval of any substitute project or projects under subsection (a)—

(1) the cost of construction of the Barney Circle Freeway Modification project shall not be eligible for funds authorized

under section 108(b) of the Federal-Aid Highway Act of 1956; and

(2) substitute projects approved pursuant to this section shall be funded from interstate construction funds apportioned or allocated to the District of Columbia that are not expended and not subject to lapse on the date of the enactment of this Act.

(c) **FEDERAL SHARE.**—The Federal share payable on account of a project or activity approved under this section shall be 85 percent of the cost thereof, except that the exception set forth in section 120(b)(2) of title 23, United States Code, shall apply.

(d) **LIMITATION ON ELIGIBILITY.**—Any substitute project approved pursuant to subsection (a) (for which the Secretary finds that sufficient Federal funds are available) must be under contract for construction, or construction must have commenced, before the last day of the 4-year period beginning on the date of the enactment of this section. If the substitute project is not under contract for construction, or construction has not commenced, by such last day, the Secretary shall withdraw approval of the substitute project.

**SEC. 145. USE OF HOV LANES BY ELECTRIC VEHICLES.**

Section 102(a) is amended by adding at the end the following: “Notwithstanding the preceding sentence, before September 30, 2003, a State may permit an electric vehicle with fewer than 2 occupants to operate in high occupancy vehicle lanes if the vehicle is certified and labeled as an Inherently Low Emission Vehicle pursuant to section 88.313–93 of title 40, Code of Federal Regulations, provided that such permission may be revoked by the State should the State determine it necessary.”.

Conform the table of contents of the bill accordingly.

At the end of section 202 of the bill, add the following:

(f) **HIGHWAY SAFETY EDUCATION AND INFORMATION.**—

(1) **IN GENERAL.**—For fiscal years 1999 and 2000, the Secretary shall allow any State to use funds apportioned to it under section 402 of title 23, United States Code to purchase television and radio time for the placement of highway safety public service messages.

(2) **STUDY.**—The Secretary shall conduct a study of the effectiveness of the public service messages and transmit a report on the results of the study together with the transmittal under section 508 of this Act.

At the end of section 207, add the following:

(c) **EVALUATION AND ASSESSMENT OF ALTERNATIVES.**—

(1) **EVALUATION.**—The Secretary shall evaluate the implementation of chapter 303 of title 49, United States Code, and the programs under sections 31106 and 31309 of such title and identify alternatives to improve the ability of the States to exchange information about unsafe drivers and to identify drivers with multiple licenses.

(2) **TECHNOLOGY ASSESSMENT.**—The Secretary, in conjunction with the American Association of Motor Vehicle Administrators, shall conduct an assessment of available electronic technologies to improve access to and exchange of motor vehicle driving records. The assessment may consider alternative

unique motor vehicle driver identifiers that would facilitate accurate matching of drivers and their records.

(3) REPORT TO CONGRESS.—Not later than 2 years after the date of the enactment of this Act, the Secretary shall transmit to Congress a report on the results of the evaluation and technology assessment, together with any recommendations for appropriate administrative and legislative actions.

In section 306(g) of the bill, strike “amended—” and all that follows through “(2) by” and insert “amended by”.

In section 332(a) of the bill—

(1) in paragraph (43) after “East-West” insert “Intermodal”;

(2) strike paragraph (58), relating to Oklahoma City—MAPS Link;

(3) in paragraph (90)—

(A) strike “Commuter Rail”;

(B) after “Northstar” insert “Corridor”; and

(C) strike the parenthetical phrase and insert the following: “(Downtown, Minneapolis-Anoka County-St. Cloud)”;

(4) redesignate succeeding paragraphs accordingly; and

(5) add at the end the following:

(96) Pittsburgh North Shore-Central Business District Corridor.

(97) Pittsburgh—Stage II Light Rail.

(98) Boston—North-South Rail Link.

(99) Spokane—South Valley Corridor Light Rail.

(100) Miami—Palmetto Metrorail.

In section 332(b) of the bill—

(1) strike paragraph (35), relating to Miami—Palmetto Metrorail, and paragraph (57), relating to Pittsburgh—Stage II Light Rail Reconstruction;

(2) redesignate succeeding paragraphs accordingly; and

(3) add at the end the following:

(70) California—North Bay Commuter Rail.

In the table contained in section 333 of the bill—

(1) in item 7 strike “0.000” and insert “0.200”;

(2) in item 41 strike “0.000” and insert “0.500”;

(3) in item 62 strike “0.000” and insert “0.300”;

(4) in item 65 strike “1.625” each place it appears and insert “1.250”;

(5) strike item 66 and insert the following:

66.	New York, NY West 72nd St.	
	Intermodal Station .....	1.750

(6) in item 73—

(A) strike “1.750” the first place it appears and insert “2.250”; and

(B) strike “1.750” the second place it appears and insert “2.750”;

(7) strike the line relating to item 77 (Mobile);

(8) strike the line relating to item 86 (Norwalk);

(9) in item 103—

(A) strike “1.000” and insert “1.250”; and

- (B) strike “0.000” and insert “1.250”;
- (10) in item 121 strike “Stapleton, CO” and insert “Denver, CO Stapleton”;
- (11) strike the line relating to item 126 (Tucson);
- (12) in item 142 strike “buses” and insert “Bus Facility”;
- (13) after item 149 insert the following:

150.	Allegheny County, PA buses ...		0.000		1.500
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Redesignate the items in the table contained in section 333 of the bill accordingly.

In title III of the bill, insert after section 339 the following:

**SEC. 340. CLEAN FUEL VEHICLES.**

(a) **STUDY.**—The Comptroller General shall conduct a study of the various low and zero emission fuel technologies for transit vehicles, including compressed natural gas, liquified natural gas, bio-diesel fuel, battery, alcohol based fuel, hybrid electric, fuel cell, and clean diesel to determine the status of the development and use of such technologies, the environmental benefits of such technologies under the Clean Air Act, and the cost of such technologies and any associated equipment.

(b) **REPORT.**—Not later than January 1, 2000, the Comptroller General shall transmit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Banking, Housing and Urban Affairs of the Senate a report on the results of the study, together with recommendations for incentives to encourage the use of low and zero emission fuel technology for transit vehicles.

Conform the table of contents of the bill accordingly.

In title IV of the bill, insert after section 422 the following:

**SEC. 423. ELECTRONIC DATA STUDY.**

(a) **IN GENERAL.**—The Secretary shall contract with an entity that is independent of the Department of Transportation to conduct a study to identify, examine, and evaluate current and future issues and policies related to government access to data produced by electronic systems for motor carrier regulatory enforcement. The entity shall have demonstrated knowledge about the motor carrier industry, motor carrier safety regulations, and the electronic information industry.

(b) **INSPECTOR GENERAL.**—The Office of the Inspector General of the Department of Transportation shall approve the statement of work of the entity referred to in subsection (a) and approve the contract award under subsection (a). In carrying out its responsibilities under this subsection, the Office of the Inspector General shall perform such overview and validation or verification of data as may be necessary to ensure that the study to be conducted under subsection (a) meets the requirements of subsection (a).

(c) **DEADLINE.**—The study to be conducted under subsection (a) shall be completed not later than 2 years after the date of the enactment of this Act. A report containing the results of the study shall be submitted to the Secretary and Congress.

(d) **FUNDING.**—Of amounts made available under section 127(a)(3)(H), \$100,000 for fiscal year 1998, \$200,000 for fiscal year 1999, and \$200,000 for fiscal year 2000 shall be available to carry out this subsection.

Conform the table of contents of the bill accordingly.

In section 508 of the bill—

(1) redesignate paragraphs (4), (5), and (6) as paragraphs (6), (7), and (8), respectively; and

(2) insert after paragraph (3) the following:

(4) determine whether to approve a revised formula for the distribution of funds under section 104(b)(2) of title 23, United States Code, for the congestion mitigation and air quality improvement program due to the designation of new nonattainment areas by the Environmental Protection Agency;

After section 603 of the bill, insert the following:

**SEC. 604. NOTICE.**

(a) **NOTICE OF REPROGRAMMING.**—If any funds authorized for carrying out this title or the amendments made by this title are subject to a reprogramming action that requires notice to be provided to the Appropriations Committees of the House of Representatives and the Senate, notice of such action shall concurrently be provided to the Committee on Transportation and Infrastructure and the Committee on Science of the House of Representatives and the Committee on Environment and Public Works and the Committee on Commerce, Science, and Transportation of the Senate.

(b) **NOTICE OF REORGANIZATION.**—The Secretary of Transportation shall provide notice to the Committee on Transportation and Infrastructure and the Committee on Science of the House of Representatives and the Committee on Environment and Public Works and the Committee on Commerce, Science, and Transportation of the Senate, not later than 15 days before any major reorganization of any program, project, or activity of the Department of Transportation for which funds are authorized by this title or the amendments made by this title.

**SEC. 605. SENSE OF CONGRESS ON THE YEAR 2000 PROBLEM.**

With the year 2000 fast approaching, it is the sense of Congress that the Department of Transportation should—

(1) give high priority to correcting all 2-digit date-related problems in its computer systems to ensure that those systems continue to operate effectively in the year 2000 and beyond;

(2) assess immediately the extent of the risk to the operations of the Department of Transportation posed by the problems referred to in paragraph (1), and plan and budget for achieving Year 2000 compliance for all of its mission-critical systems; and

(3) develop contingency plans for those systems that the Department of Transportation is unable to correct in time.

In section 611(c) of the bill, in the matter proposed to be inserted as section 307(b)(4)(A) of title 23, United States Code, insert “, consistent with the plan developed under section 5506 of title 49,” after “advanced research program”.

In section 611(c) of the bill, in the matter proposed to be inserted as section 307(b)(4)(B)(ii) of title 23, United States Code, strike “as-

assessment of failure risks” and insert “the assessment of risks of failure, including from seismic activity, vibration, and weather”.

In section 611(c) of the bill, in the matter proposed to be inserted as section 307(b)(4)(B)(v) of title 23, United States Code, strike “Particulate” and insert “Environmental research, including particulate”.

In section 611(c) of the bill, in the matter proposed to be inserted as section 307(b)(4)(B)(vii) of title 23, United States Code, strike “Prediction” and insert “Human factors, including prediction”.

Strike paragraphs (1) and (2) of section 611(d) of the bill and insert the following:

- (1) by amending subparagraph (A) to read as follows:
 

“(A) Methods, materials, and testing to improve the durability of surface transportation infrastructure facilities and extend the life of bridge structures, including new and innovative technologies to reduce corrosion and tests simulating seismic activity, vibration, and weather.”;
  - (2) by striking subparagraph (C);
  - (3) by redesignating subparagraph (D) as subparagraph (C);
- and
- (4) by adding after subparagraph (C), as so redesignated, the following new subparagraphs:
 

“(D) Research on the use of recycled materials, such as paper and plastic fiber reinforcement systems.

“(E) New innovative technologies to enhance and facilitate field construction and rehabilitation techniques for minimizing disruption during repair and maintenance of structures.

“(F) Expansion of knowledge of implementing life cycle cost assessment, including establishing the appropriate analysis period and discount rates, learning how to value and properly consider user costs, determining tradeoffs between reconstruction and rehabilitation, and establishing methodologies for balancing higher initial costs of new technologies and improved or advanced materials against lower maintenance costs.

“(G) Standardized estimates of useful life under various conditions for advanced materials of use in surface transportation. Such estimates shall be developed in conjunction with the National Institute of Standards and Technology and other appropriate organizations.”.

In section 611(e) of the bill, strike paragraphs (1) and (2) and insert the following:

- (1) by striking subsections (c), (d), and (e) and inserting the following:
 

“(c) STUDY OF FUTURE STRATEGIC HIGHWAY RESEARCH PROGRAM.—

“(1) STUDY.—

“(A) IN GENERAL.—Not later than 120 days after the date of enactment of the Building Efficient Surface Transportation and Equity Act of 1998, the Secretary shall make a grant to, or enter into a cooperative agreement or contract with, the Transportation Research Board of the National Academy of Sciences (referred to in this subsection

as the “Board”) to conduct a study to determine the goals, purposes, research agenda and projects, administrative structure, and fiscal needs for a new strategic highway research program to replace the program established under section 307(d) (as in effect on the day before the date of enactment of the Building Efficient Surface Transportation and Equity Act of 1998), or a similar effort.

“(B) CONSULTATION.—In conducting the study, the Board shall consult with the American Association of State Highway and Transportation Officials and such other entities as the Board determines to be necessary to the conduct of the study.

“(2) REPORT.—Not later than 2 years after making a grant or entering into a cooperative agreement or contract under subsection (a), the Board shall submit a final report on the results of the study to the Secretary, the Committee on Transportation and Infrastructure and the Committee on Science of the House of Representatives, and the Committee on Environment and Public Works of the Senate.”; and

(2) by redesignating subsections (f), (g), and (h) as subsections (d), (e), and (f).

In section 611(f) of the bill, strike “307(c)” and insert “307(d)”.

In section 611(g) of the bill, strike “307(e)” and insert “307(f)”.

In section 611(h) of the bill, in the matter proposed to be added at the end of section 307 of title 23, United States Code, redesignate subsection (f) as subsection (g).

At the end of section 611 of the bill, add the following new subsection:

(j) TECHNOLOGICAL INNOVATION.—Section 307 is amended by adding at the end the following new subsection:

“(h) TECHNOLOGICAL INNOVATION.—The programs and activities carried out under this section shall be consistent with the plan developed under section 5506 of title 49.”.

In section 612 of the bill, at the end of the matter proposed to be inserted as section 313 of title 23, United States Code, strike the closing quotation marks and the final period and insert the following:

“(e) ANNUAL REPORT.—Each State shall report annually to the Secretary on the level of its funding for research and development activities described in subsection (a)(5). A State may provide such information as part of another report that the State provides to the Secretary.”.

In section 623(b) of the bill, redesignate paragraphs (1), (2), and (3) as paragraphs (2), (3), and (4), respectively.

In section 623(b) of the bill, insert before paragraph (2), as so redesignated, the following new paragraph:

(1) in subsection (a), by inserting “, including information obtained pursuant to section 307(b)(5)(F) and (G)” after “modern highway technology”;

In section 623(b)(3) of the bill, as so redesignated, insert “, and in paragraph (1) of that subsection, by inserting ‘concrete,’ after ‘pavement,’” after “as subsection (c)”.

In section 624 of the bill, in the matter proposed to be inserted as section 5505(c)(2) of title 49, United States Code, insert “, except as provided in subsection (i),” after “competitive process”.

In section 624 of the bill, in the matter proposed to be inserted as section 5505(g)(2) of title 49, United States Code, insert “and consistent with the plan developed under section 5506” after “least annually”.

In section 624 of the bill, at the end of the matter proposed to be inserted as section 5505 of title 49, United States Code, strike the closing quotation marks and the final period and insert the following:

“(18) University of Maine.

“(19) Tennessee Technological University.

“(20) Middle Tennessee State University.

“(21) The University of Maryland.”.

After section 632 of the bill, insert the following (and conform the table of contents of the bill accordingly):

**SEC. 633. TRANSPORTATION RESEARCH AND TECHNOLOGY DEVELOPMENT.**

(a) IN GENERAL.—Subchapter I of chapter 55 of title 49, United States Code, is further amended by adding at the end the following:

**“§ 5506. Surface transportation research planning**

“(a) IN GENERAL.—The Secretary of Transportation shall—

“(1) establish a strategic planning process, consistent with section 306 of title 5, United States Code, for the Department of Transportation to determine national transportation research and technology development priorities related to surface transportation;

“(2) coordinate Federal surface transportation research and technology development activities;

“(3) measure the results of those activities and how they impact the performance of the national surface transportation system; and

“(4) ensure that planning and reporting activities carried out under this subchapter are coordinated with all other surface transportation planning and reporting requirements.

“(b) IMPLEMENTATION.—The Secretary shall—

“(1) provide for the integrated planning, coordination, and consultation among the operating administrations, all other Federal agencies with responsibility for surface transportation research and technology development, State and local governments, institutions of higher education, industry, and other private and public sector organizations engaged in surface transportation-related research and development activities;

“(2) ensure that the Department’s surface transportation research and technology development programs do not duplicate other Federal, State, or private sector research and development programs; and

“(3) provide for independent validation of the scientific and technical assumptions underlying the Department’s surface transportation research and technology development plans.

“(c) SURFACE TRANSPORTATION RESEARCH AND TECHNOLOGY DEVELOPMENT STRATEGIC PLAN.—

“(1) DEVELOPMENT.—The Secretary shall develop an integrated surface transportation research and technology development strategic plan.

“(2) CONTENTS.—The plan shall include—

“(A) an identification of the general goals and objectives of the Department of Transportation for surface transportation research and development;

“(B) a description of the roles of the Department of Transportation and other Federal agencies in achieving the goals identified under subparagraph (A), in order to avoid unnecessary duplication of effort;

“(C) a description of the Department’s overall strategy, and the role of each of the operating administrations in carrying out the plan over the next 5 years including a description of procedures for coordination of its efforts with the operating administrations and with other Federal agencies;

“(D) an assessment of how State and local research and technology development activities are contributing to the achievement of the goals identified under subparagraph (A);

“(E) details of the Department’s surface transportation research and technology development programs, including performance goals, resources needed to achieve those goals, and performance indicators as described in section 1115(a) of title 31, United States Code, for the next 5 years for each area of research and technology development;

“(F) significant comments on the plan and its contents obtained from outside sources; and

“(G) responses to significant comments obtained from the National Research Council and other advisory bodies, and a description of any corrective actions taken pursuant thereto.

“(3) NATIONAL RESEARCH COUNCIL REVIEW.—The Secretary shall enter into an agreement for the review by the National Research Council of the details of each—

“(A) strategic plan or revision required under section 306 of title 5, United States Code;

“(B) performance plan required under section 1115 of title 31, United States Code; and

“(C) program performance report required under section 1116 of title 31, United States Code,

with respect to surface transportation research and technology development.

“(4) PERFORMANCE PLANS AND REPORTS.—In complying with sections 1115 and 1116 of title 31, United States Code, the Secretary shall include—

“(A) a summary of the results for the previous fiscal year of surface transportation research and technology development programs to which the Department of Transportation contributes, along with—

“(i) an analysis of the relationship between those results and the goals identified under paragraph (2)(A); and

“(ii) a description of the methodology used for assessing the results; and

“(B) a description of significant surface transportation research and technology development initiatives, if any, undertaken during the previous fiscal year which were not in the plan developed under paragraph (1), and any significant changes in the plan from the previous year’s plan.

“(d) MERIT REVIEW AND PERFORMANCE MEASUREMENT.—The Secretary shall, within one year after the date of the enactment of this section, transmit to the Congress a report describing competitive merit review procedures for research and technology development, and performance measurement procedures for surface transportation research and technology development and demonstrations.

“(e) PROCUREMENT PROCEDURES.—The Secretary shall—

“(1) develop model procurement procedures that encourage the use of advanced technologies; and

“(2) develop model transactions for carrying out and coordinating Federal and State surface transportation research and technology development activities.

“(f) CONSISTENCY WITH GOVERNMENT PERFORMANCE AND RESULTS ACT OF 1993.—The plans and reports developed under this section shall be consistent with and incorporated as part of the plans developed under section 306 of title 5, United States Code, and sections 1115 and 1116 of title 31, United States Code.

**“§ 5507. Surface transportation-environment cooperative research program**

“(a) IN GENERAL.—The Secretary of Transportation shall establish and carry out a surface transportation and environment cooperative research program.

“(b) CONTENTS.—The program to be carried out under this section shall include research designed to—

“(1) develop more accurate models for evaluating transportation control measures and transportation system designs that are appropriate for use by State and local governments, including metropolitan planning organizations, in designing implementation plans to meet Federal, State, and local environmental requirements;

“(2) improve understanding of the factors that contribute to the demand for transportation, including transportation system design, demographic change, land use planning, and communications and other information technologies; and

“(3) develop indicators of economic, social, and environmental performance of transportation systems to facilitate analysis of potential alternatives.

“(c) ADVISORY BOARD.—

“(1) ESTABLISHMENT.—In consultation with appropriate Federal agencies, the Secretary shall establish an advisory board to recommend environmental and energy conservation research, technology, and technology transfer activities related to surface transportation.

“(2) MEMBERSHIP.—The advisory board shall include—

“(A) representatives of State transportation and environmental agencies;

“(B) transportation and environmental scientists and engineers; and

“(C) representatives of metropolitan planning organizations, transit operating agencies, and environmental organizations.

“(d) NATIONAL ACADEMY OF SCIENCES.—The Secretary may make grants to, and enter into cooperative agreements with, the National Academy of Sciences to carry out such activities relating to the research, technology, and technology transfer activities described in subsection (b) as the Secretary determines to be appropriate.

“(e) FUNDING.—Funding for carrying out this section shall be derived from funds made available under section 127(a)(3)(F) of the Building Efficient Surface Transportation and Equity Act of 1998.”.

(b) CONFORMING AMENDMENT.—The table of sections for chapter 55 of title 49, United States Code, is amended by inserting after the item relating to section 5505 the following:

*“5506. Surface transportation research planning.*

*“5507. Surface transportation-environment cooperative research program.”.*

In section 652(b)(4) of the bill, insert “, and including the handicapped” after “and motorcycles”.

In section 652(b)(7) of the bill, strike “and” at the end.

In section 652(b)(8) of the bill, strike the period and insert “; and”.

At the end of section 652 of the bill, add the following new paragraph:

(9) the development of a workforce capable of developing, operating, and maintaining intelligent transportation systems.

In section 654 of the bill, amend subsection (b) to read as follows:

(b) REPORTING.—The plan described in subsection (a) shall be transmitted and updated as part of the plan developed under section 5506 of title 49, United States Code.

At the end of section 655(c) of the bill, add the following:

Such tests shall be designed for the collection of data to permit objective evaluation of the results of the tests and the derivation of cost-benefit information that is useful to others contemplating the deployment of similar systems.

In section 655(d) of the bill, strike “work shall incorporate human factors research findings” and insert “work—

“(1) shall incorporate human factors research, which may include research in the science of the driving process, to improve the operational efficiency and safety of intelligent transportation systems;

“(2) may incorporate research on environmental, weather, and natural conditions that impact intelligent transportation systems, including the effects of cold climates; and

“(3) may incorporate materials or magnetism research”.

Strike section 658 of the bill and redesignate section 659 as section 658. Conform the table of contents of the bill accordingly.

After section 802 of the bill, insert the following:

**SEC. 803. AMENDMENT OF NATIONAL SEA GRANT COLLEGE PROGRAM ACT.**

Section 203 of the National Sea Grant College Program Act (33 U.S.C. 1122) is amended—

- (1) by striking paragraph (5);
- (2) by redesignating paragraphs (6) through (17) as paragraphs (5) through (16), respectively;
- (3) by redesignating subparagraphs (C) through (F) of paragraph (7), as so redesignated, as subparagraphs (D) through (G), respectively; and
- (4) by inserting after subparagraph (B) of paragraph (7), as so redesignated, the following:

“(C) Lake Champlain (to the extent that such resources have hydrological, biological, physical, or geological characteristics and problems similar or related to those of the Great Lakes);”.

Conform the table of contents of the bill accordingly.

**2. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE DAVIS OF ILLINOIS, OR A DESIGNEE, DEBATABLE FOR 20 MINUTES**

In section 330(j), strike “\$42,000,000” and insert “\$150,000,000”.

**3. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE ROUKEMA OF NEW JERSEY, OR A DESIGNEE, DEBATABLE FOR 60 MINUTES**

Strike subsection (b) of section 102 and insert the following:

(b) **AFFIRMATIVE ACTION ENCOURAGED; DISCRIMINATION OR PREFERENTIAL TREATMENT PROHIBITED.**—

(1) **AFFIRMATIVE ACTION ENCOURAGED.**—It is the policy of the United States—

(A) to expand the applicant pool for transportation contracts in order to increase competition;

(B) to encourage participation by businesses owned by women and minorities in bidding for transportation contracts;

(C) to recruit qualified women and minorities into the applicant pool for transportation contracts; and

(D) to encourage transportation contractors—

(i) to request businesses owned by women and minorities to bid for transportation contracts; and

(ii) to include qualified women and minorities into an applicant pool for transportation contracts;

so long as such expansion, encouragement, recruitment, request, or inclusion does not involve granting a preference, based in whole or in part on race, color, national origin, or sex, in selecting any person for the relevant contract.

(2) **PROHIBITION AGAINST DISCRIMINATION OR PREFERENTIAL TREATMENT.**—Notwithstanding any other provision of law, no governmental entity shall, in connection with a transportation contract—

(A) intentionally discriminate against, or grant a preference to, any person or group based in whole or in part on race, color, national origin, or sex; or

(B) require or encourage a contractor or subcontractor to discriminate intentionally against, or grant a preference to, any person or group based in whole or in part on race, color, national origin, or sex.

(3) DEFINITIONS.—As used in this subsection—

(A) the term “transportation contract” means any contract or subcontract in connection with any project paid for in whole or in part with funds derived from amounts authorized to be appropriated by this Act; and

(B) the term “preference” means an advantage of any kind, and includes a quota, set-aside, numerical goal, timetable, or other numerical objective.

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4. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE GRAHAM OF SOUTH CAROLINA, OR A DESIGNEE, DEBATABLE FOR 20 MINUTES

(a) HIGHWAY PROJECT AUTHORIZATION.—

(1) In section 102(8), strike all after the parenthetical and insert “\$596,000,000 for fiscal year 1998, \$816,000,000 for fiscal year 1999, \$885,000,000 for fiscal year 2000, \$885,000,000 for fiscal year 2001, \$885,000,000 for fiscal year 2002 and \$885,000,000 for fiscal year 2003.”

(2) In section 103(b), strike the “and” and all that follows after paragraph (7) and insert “and” after paragraph (6).

(3) Strike sections 127(b) and 127(c) and redesignate sections of the bill accordingly.

(b) TRANSIT PROJECT AUTHORIZATIONS.—

(1) In section 328(a) in the matter proposed to be inserted as section 5338(b)(1) of title 49, strike all that follows after “to carry out section 5309” through the end of such subsection and insert “(1) \$878,000,000 for fiscal year 1998, (2) \$964,800,000 for fiscal year 1999, and (3) \$1,045,200,000 for fiscal years 2000 through 2003.”

(2) In section 329(a) strike “shall not exceed” through the end of such subsection and insert “(1) \$800,000,000 for fiscal year 1998; (2) \$856,000,000 for fiscal year 1999; and (3) \$1,045,200,000 for fiscal year 2000–2003.”

(3) Strike sections 332 and 333 and redesignate sections of the bill accordingly.

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5. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE SPRATT OF SOUTH CAROLINA, OR A DESIGNEE, DEBATABLE FOR 20 MINUTES

Strike all after the enacting clause and insert the following:

**SECTION 1. TWO-MONTH EXTENSION OF TRANSPORTATION PROGRAMS.**

Notwithstanding any other provision of law, there is authorized to be appropriated out of the Highway Trust Fund such sums as may be necessary to continue funding for an additional two months each of the programs for which an extension was provided under the Surface Transportation Extension Act of 1997 (111 Stat. 2552 et seq.) at the same monthly rate for which funds were provided for each such program under such Act.

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6. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE KASICH OF OHIO, OR A DESIGNEE, DEBATABLE FOR 30 MINUTES

Strike all after the enacting clause and insert the following:

**SECTION 1. SHORT TITLE.**

This Act may be cited as the “Transportation Empowerment Act”.

**SEC. 2. FINDINGS AND PURPOSES.**

(a) FINDINGS.—Congress finds that—

(1) the objective of the Federal highway program has been to facilitate the construction of a modern freeway system that promotes efficient interstate commerce by connecting all States;

(2) that objective has been attained and the Interstate System connecting all States is near completion;

(3) each State has the responsibility of providing an efficient transportation network for the residents of the State;

(4) each State has the means to build and operate a network of transportation systems, including highways, that best serves the needs of the State;

(5) each State is best capable of determining the needs of the State and acting on those needs;

(6) the Federal role in highway transportation has, over time, usurped the role of the States by taxing fuels used in the States and then distributing the proceeds to the States based on the Federal Government’s perceptions of what is best for the States;

(7) the Federal Government has used the Federal gasoline tax revenues to force all States to take actions that are not necessarily appropriate for individual States;

(8) the Federal distribution, review, and enforcement process wastes billions of dollars on unproductive activities;

(9) Federal mandates that apply uniformly to all 50 States, regardless of the different circumstances of the States, cause the States to waste billions of hard-earned tax dollars on projects, programs, and activities that the States would not otherwise undertake; and

(10) Congress has expressed a strong interest in reducing the role of the Federal Government by allowing each State to manage its own affairs.

(b) PURPOSES.—The purposes of this Act are—

(1) to return to the individual States maximum discretionary authority and fiscal responsibility for all elements of the national transportation systems that are not within the direct purview of the Federal Government;

(2) to preserve Federal responsibility for the Dwight D. Eisenhower National System of Interstate and Defense Highways;

(3) to preserve the responsibility of the Department of Transportation for—

(A) design, construction, and preservation of transportation facilities on Federal public lands;

(B) national programs of transportation research and development and transportation safety; and

- (C) emergency assistance to the States in response to natural disasters;
- (4) to eliminate to the maximum extent practicable Federal obstacles to the ability of each State to apply innovative solutions to the financing, design, construction, operation, and preservation of State and Federal transportation facilities; and
- (5) with respect to transportation activities carried out by States, local governments, and the private sector, to encourage—
  - (A) competition among States, local governments, and the private sector; and
  - (B) innovation, energy efficiency, private sector participation, and productivity.

### **SEC. 3. CONTINUATION OF FUNDING FOR CORE HIGHWAY PROGRAMS.**

#### **(a) IN GENERAL.—**

(1) **FUNDING.**—For the purpose of carrying out title 23, United States Code, the following sums are authorized to be appropriated out of the Highway Trust Fund:

(A) **INTERSTATE MAINTENANCE PROGRAM.**—For the Interstate maintenance program under section 119 of title 23, United States Code, \$5,100,000,000 for fiscal year 1999, \$5,300,000,000 for fiscal year 2000, \$5,400,000,000 for fiscal year 2001, \$5,600,000,000 for fiscal year 2002, and \$5,700,000,000 for fiscal year 2003.

(B) **INTERSTATE AND INDIAN RESERVATION BRIDGE PROGRAM.**—For the Interstate and Indian reservation bridge program under section 144 of that title \$1,217,000,000 for fiscal year 1999, \$1,251,000,000 for fiscal year 2000, \$1,286,000,000 for fiscal year 2001, \$1,321,000,000 for fiscal year 2002, and \$1,360,000,000 for fiscal year 2003.

#### **(C) FEDERAL LANDS HIGHWAYS PROGRAM.—**

(i) **INDIAN RESERVATION ROADS.**—For Indian reservation roads under section 204 of that title \$202,000,000 for fiscal year 1999, \$208,000,000 for fiscal year 2000, \$214,000,000 for fiscal year 2001, \$220,000,000 for fiscal year 2002, and \$225,000,000 for fiscal year 2003.

(ii) **PUBLIC LANDS HIGHWAYS.**—For public lands highways under section 204 of that title \$182,000,000 for fiscal year 1999, \$187,000,000 for fiscal year 2000, \$192,000,000 for fiscal year 2001, \$197,000,000 for fiscal year 2002, and \$201,000,000 for fiscal year 2003.

(iii) **PARKWAYS AND PARK ROADS.**—For parkways and park roads under section 204 of that title \$89,000,000 for fiscal year 1999, \$91,000,000 for fiscal year 2000, \$94,000,000 for fiscal year 2001, \$97,000,000 for fiscal year 2002, and \$99,000,000 for fiscal year 2003.

(iv) **HIGHWAY SAFETY PROGRAMS.**—For highway safety programs under section 402 of that title \$171,000,000 for each of fiscal years 1999 through 2003.

(v) **HIGHWAY SAFETY RESEARCH AND DEVELOPMENT.**—For highway safety research and development under section 403 of that title \$44,000,000 for each of fiscal years 1999 through 2003.

(2) TRANSFERABILITY OF FUNDS.—Section 104 of title 23, United States Code, is amended by striking subsection (g) and inserting the following:

“(g) TRANSFERABILITY OF FUNDS.—

“(1) IN GENERAL.—To the extent that a State determines that funds made available under this title to the State for a purpose are in excess of the needs of the State for that purpose, the State may transfer the excess funds to, and use the excess funds for, any surface transportation (including mass transit and rail) purpose in the State.

“(2) ENFORCEMENT.—If the Secretary determines that a State has transferred funds under paragraph (1) to a purpose that is not a surface transportation purpose as described in paragraph (1), the amount of the improperly transferred funds shall be deducted from any amount the State would otherwise receive from the Highway Trust Fund for the fiscal year that begins after the date of the determination.”.

(3) FEDERAL-AID SYSTEM.—Section 103(a) of title 23, United States Code, is amended by striking “systems are the Interstate System and the National Highway System” and inserting “system is the Interstate System”.

(4) INTERSTATE MAINTENANCE PROGRAM.—

(A) FUNDING.—Section 104(b)(5) of title 23, United States Code, is amended by striking subparagraph (B) and inserting the following:

“(B) INTERSTATE MAINTENANCE.—For each of fiscal years 1999 through 2003, for the Interstate maintenance program under section 119, 1 percent to the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands and the remaining 99 percent apportioned as follows:

“(i)(I) For each State with an average population density of 20 persons or fewer per square mile, and each State with a population of 1,500,000 persons or fewer and with a land area of 10,000 square miles or less, the greater of—

“(aa) a percentage share of apportionments equal to the percentage listed for the State in subclause (II); or

“(bb) a share determined under clause (ii).

“(II) The percentage referred to in subclause (I)(aa) is as follows:

“States:	Percentage:
Alabama .....	2.02
Alaska .....	1.24
Arizona .....	1.68
Arkansas .....	1.32
California .....	9.81
Colorado .....	1.23
Connecticut .....	1.00
Delaware .....	0.40
District of Columbia .....	0.13

Florida .....	4.77
Georgia .....	3.60
Hawaii .....	0.55
Idaho .....	0.70
Illinois .....	3.71
Indiana .....	2.63
Iowa .....	1.13
Kansas .....	1.10
Kentucky .....	1.91
Louisiana .....	1.63
Maine .....	0.50
Maryland .....	1.64
Massachusetts .....	1.68
Michigan .....	3.34
Minnesota .....	1.56
Mississippi .....	1.23
Missouri .....	2.45
Montana .....	0.95
Nebraska .....	0.73
Nevada .....	0.67
New Hampshire .....	0.48
New Jersey .....	2.28
New Mexico .....	1.05
New York .....	4.27
North Carolina .....	2.83
North Dakota .....	0.63
Ohio .....	3.77
Oklahoma .....	1.55
Oregon .....	1.23
Pennsylvania .....	4.12
Puerto Rico .....	0.50
Rhode Island .....	0.55
South Carolina .....	1.63
South Dakota .....	0.70
Tennessee .....	2.30
Texas .....	7.21
Utah .....	0.71
Vermont .....	0.43
Virginia .....	2.61
Washington .....	1.75
West Virginia .....	0.76
Wisconsin .....	1.91
Wyoming .....	0.66.

“(ii) For each State not described in clause (i), a share of the apportionments remaining determined in accordance with the following formula:

“(I)  $\frac{1}{9}$  in the ratio that the total rural lane miles in each State bears to the total rural lane miles in all States with an average population density greater than 20 persons per square mile and all States with a population of more than 1,500,000 persons and with a land area of more than 10,000 square miles.

“(II)  $\frac{1}{9}$  in the ratio that the total rural vehicle miles traveled in each State bears to the total rural vehicle miles traveled in all States described in subclause (I).

“(III)  $\frac{2}{9}$  in the ratio that the total urban lane miles in each State bears to the total urban lane miles in all States described in subclause (I).

“(IV)  $\frac{2}{9}$  in the ratio that the total urban vehicle miles traveled in each State bears to the total urban vehicle miles traveled in all States described in subclause (I).

“(V)  $\frac{3}{9}$  in the ratio that the total diesel fuel used in each State bears to the total diesel fuel used in all States described in subclause (I).”

(B) CONFORMING AMENDMENTS.—Section 119(f) of title 23, United States Code, is amended—

(i) in paragraph (1), by striking “If” and inserting “For each of fiscal years 1991 through 1997, if”; and

(ii) in paragraph (2)(B), by inserting “through fiscal year 1997” after “thereafter”.

(5) INTERSTATE BRIDGE PROGRAM.—Section 144 of title 23, United States Code, is amended—

(A) in subsection (d)—

(i) by inserting “on the Federal-aid system as described in subsection (c)(3)” after “highway bridge” each place it appears; and

(ii) by inserting “on the Federal-aid system as described in subsection (c)(3)” after “highway bridges” each place it appears;

(B) in the second sentence of subsection (e)—

(i) in paragraph (1), by adding “and” at the end;

(ii) in paragraph (2), by striking the comma at the end and inserting a period; and

(iii) by striking paragraphs (3) and (4);

(C) in the first sentence of subsection (l), by inserting “on the Federal-aid system as described in subsection (c)(3)” after “any bridge”;

(D) in subsection (m), by inserting “on the Federal-aid system as described in subsection (c)(3)” after “any bridge”; and

(E) in the first sentence of subsection (n), by inserting “for each of fiscal years 1991 through 1997,” after “of law,”.

(6) NATIONAL DEFENSE HIGHWAYS.—Section 311 of title 23, United States Code, is amended—

- (A) in the first sentence, by striking “under subsection (a) of section 104 of this title” and inserting “to carry out this section”; and
- (B) by striking the second sentence.
- (7) TERMINATION OF MINIMUM ALLOCATION.—Section 157 of title 23, United States Code, is amended—
  - (A) in subsection (a)(4), by striking “fiscal year 1992 and each fiscal year thereafter” and inserting “each of fiscal years 1992 through 1997”; and
  - (B) in subsection (e), by striking “the fiscal years ending on or after September 30, 1983” and inserting “fiscal years 1983 through 1997”.
- (8) MOTOR CARRIER SAFETY GRANTS.—Section 31104 of title 49, United States Code, is amended—
  - (A) in subsection (a), by adding at the end the following:
    - “(6) not more than \$90,000,000 for each of fiscal years 1999 through 2003.”; and
    - (B) in subsection (g)(1)—
      - (i) in subparagraph (B), by striking “1993–1997” and inserting “1993 through 2003”; and
      - (ii) in subparagraph (C), by striking “1993–1997” and inserting “1993 through 2003”; and
      - (iii) in subparagraph (D), by striking “1996, and 1997” and inserting “1996 through 2003”.
- (b) EXTENSION OF HIGHWAY-RELATED TAXES AND HIGHWAY TRUST FUND.—
  - (1) EXTENSION OF TAXES.—The following provisions of the Internal Revenue Code of 1986 are each amended by striking “1999” each place it appears and inserting “2004”:
    - (A) Section 4041(a)(1)(C)(iii)(I) (relating to rate of tax on certain buses).
    - (B) Section 4041(a)(2)(B) (relating to rate of tax on special motor fuels), as amended by section 907(a)(1) of the Taxpayer Relief Act of 1997.
    - (C) Section 4041(m)(1)(A) (relating to certain alcohol fuels), as amended by section 907(b) of the Taxpayer Relief Act of 1997.
    - (D) Section 4051(c) (relating to termination).
    - (E) Section 4071(d) (relating to termination).
    - (F) Section 4081(d)(1) (relating to termination).
    - (G) Section 4481(e) (relating to period tax in effect).
    - (H) Section 4482(c)(4) (relating to taxable period).
    - (I) Section 4482(d) (relating to special rule for taxable period in which termination date occurs).
  - (2) OTHER PROVISIONS.—
    - (A) FLOOR STOCKS REFUNDS.—Section 6412(a)(1) of such Code (relating to floor stocks refunds) is amended—
      - (i) by striking “1999” each place it appears and inserting “2004”, and
      - (ii) by striking “2000” each place it appears and inserting “2005”.
    - (B) INSTALLMENT PAYMENTS OF HIGHWAY USE TAX.—Section 6156(e)(2) of such Code (relating to installment pay-

ments of highway use tax on use of highway motor vehicles) is amended by striking “1999” and inserting “2004”.  
 (3) EXTENSION OF CERTAIN EXEMPTIONS.—The following provisions of such Code are each amended by striking “1999” and inserting “2004”:

(A) Section 4221(a) (relating to certain tax-free sales).

(B) Section 4483(g) (relating to termination of exemptions for highway use tax).

(4) EXTENSION OF DEPOSITS INTO, AND CERTAIN TRANSFERS FROM, TRUST FUND.—

(A) IN GENERAL.—Subsection (b), and paragraphs (2) and (3) of subsection (c), of section 9503 of such Code (relating to the Highway Trust Fund) are each amended—

(i) by striking “1999” each place it appears (other than in subsection (b)(4)) and inserting “2003”, and

(ii) by striking “2000” each place it appears and inserting “2004”.

(B) MOTORBOAT AND SMALL-ENGINE FUEL TAX TRANSFERS.—

(i) IN GENERAL.—Paragraphs (4)(A)(i), (5)(A), and (6)(E) of section 9503(c) of such Code are each amended by striking “1998” and inserting “2003”.

(ii) CONFORMING AMENDMENTS TO LAND AND WATER CONSERVATION FUND.—Section 201(b) of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4601–11(b)) is amended—

(I) by striking “1997” and inserting “2003”, and

(II) by striking “1998” each place it appears and inserting “2004”.

(C) CONFORMING AMENDMENT.—The heading for paragraph (3) of section 9503(c) of such Code is amended to read as follows:

“(3) FLOOR STOCKS REFUNDS.—”.

(5) EXTENSION AND EXPANSION OF EXPENDITURES FROM TRUST FUND.—

(A) EXTENSION OF EXPENDITURE AUTHORITY.—Paragraph (1) of section 9503(c) of such Code is amended by striking “1998” and inserting “2003”.

(B) EXPANSION OF PURPOSES.—Paragraph (1) of section 9503(c) of such Code is amended—

(i) by striking “or” at the end of subparagraph (C), and

(ii) by striking “1991.” in subparagraph (D) and all that follows through the end of paragraph (1) and inserting “1991, or

“(E) authorized to be paid out of the Highway Trust Fund under the Transportation Empowerment Act.

In determining the authorizations under the Acts referred to in the preceding subparagraphs, such Acts shall be applied as in effect on the date of the enactment of the Transportation Empowerment Act.”.

(c) TERMINATION OF TRANSFERS TO MASS TRANSIT ACCOUNT.—

(1) IN GENERAL.—Section 9503(e)(2) of such Code (relating to Mass Transit Account) is amended by striking “2.85 cents” and inserting “2.85 cents (zero, on and after October 1, 1998)”.

(2) AUTHORIZATION TO EXPEND REMAINING BALANCES IN ACCOUNT.—Section 9503(e)(3) of such Code is amended by striking “before October 1, 1998”.

(d) EFFECTIVE DATE.—The amendments made by this section take effect on October 1, 1998.

**SEC. 4. INFRASTRUCTURE SPECIAL ASSISTANCE FUND.**

(a) IN GENERAL.—Section 9503 of the Internal Revenue Code of 1986 is amended by adding at the end the following:

“(f) ESTABLISHMENT OF INFRASTRUCTURE SPECIAL ASSISTANCE FUND.—

“(1) CREATION OF FUND.—There is established in the Highway Trust Fund a separate fund to be known as the ‘Infrastructure Special Assistance Fund’ consisting of such amounts as may be transferred or credited to the Infrastructure Special Assistance Fund as provided in this subsection or section 9602(b).

“(2) TRANSFERS TO INFRASTRUCTURE SPECIAL ASSISTANCE FUND.—On the first day of each fiscal year after 1998 and before 2003, the Secretary shall transfer \$300,000,000 from the Highway Trust Fund to Infrastructure Special Assistance Fund.

“(3) EXPENDITURES FROM INFRASTRUCTURE SPECIAL ASSISTANCE FUND.—

“(A) TRANSITIONAL ASSISTANCE.—

“(i) IN GENERAL.—Except as provided in clause (iv), during fiscal years 1999 through 2002, the amount in the Infrastructure Special Assistance Fund shall be available to States for transportation-related program expenditures.

“(ii) STATE SHARE.—

“(I) IN GENERAL.—Except as provided in clause (v), each State is entitled to a share of the \$1,200,000,000 specified in paragraph (2) upon enactment of legislation providing 1 of the 2 funding mechanisms described in clause (iii).

“(II) DETERMINATION OF STATE SHARE.—For purposes of subclause (I), each State’s share shall be determined in the following manner:

“(aa) Multiply the percentage of the amounts appropriated in the latest fiscal year for which such data are available to the Highway Trust Fund under subsection (b) which is attributable to taxes paid by highway users in the State, by the amount specified in paragraph (2). If the result does not exceed \$15,000,000, the State’s share equals \$15,000,000. If the result exceeds \$15,000,000, the State’s share is determined under item (bb).

“(bb) Multiply the percentage determined under item (aa), by the amount specified in

clause (i) reduced by an amount equal to \$15,000,000 times the number of States the share of which is determined under item (aa).

“(iii) LEGISLATIVE FUNDING MECHANISMS.—A funding mechanism is described in this clause as follows:

“(I) A funding mechanism which results in revenues for transportation-related projects in the State for fiscal year 2003 and each succeeding fiscal year which are equal to the excess of—

“(aa) the mean annual average of distributions from the Highway Trust Fund to the State for fiscal years 1992 through 1997; over

“(bb) the distributions from the Highway Trust Fund to the State for such fiscal year attributable to the core programs financing rate for such year.

“(II) A funding mechanism which results in an increase in the State rate of tax on motor fuels equal to the decrease in the rate of tax on such fuels under section 4081 for fiscal year 2003 and any succeeding fiscal year.

“(iv) DISTRIBUTION OF REMAINING AMOUNT.—If after September 30, 2002, a portion of the amount specified in paragraph (2) remains, the Secretary, in consultation with the Secretary of Transportation, shall, on October 1, 2002, apportion the portion among the States which received a share of such amount under clause (ii) and which are not described in clause (v) using the percentages determined under clause (ii)(II)(aa) for such States.

“(v) ENFORCEMENT OF FUNDING MECHANISM REQUIREMENT.—If a State, which enacted legislation providing for a funding mechanism described in clause (iii), terminates such mechanism before fiscal year 2003, the State’s share determined under clauses (ii) and (iv) shall be deducted from any amount the State would otherwise receive from the Highway Trust Fund for fiscal year 2003.

“(B) ADDITIONAL EXPENDITURES FROM FUND.—

“(i) IN GENERAL.—Amounts in the Infrastructure Special Assistance Fund, in excess of the amount specified in paragraph (2), shall be available, as provided by appropriation Acts, to the States for any surface transportation (including mass transit and rail) purpose in such States, and the Secretary shall apportion such excess amounts among all States using the percentages determined under clause (ii)(II)(aa) for such States.

“(ii) ENFORCEMENT.—If the Secretary determines that a State has used amounts under clause (i) for a purpose which is not a surface transportation purpose as described in clause (i), the improperly used amounts shall be deducted from any amount the State would otherwise receive from the Highway Trust Fund

for the fiscal year which begins after the date of the determination.”.

(b) **EFFECTIVE DATE.**—The amendment made by this section takes effect on October 1, 1998.

**SEC. 5. RETURN OF EXCESS TAX RECEIPTS TO STATES.**

(a) **IN GENERAL.**—Section 9503 of the Internal Revenue Code of 1986 is amended by adding at the end the following:

“(g) **RETURN OF EXCESS TAX RECEIPTS TO STATES FOR SURFACE TRANSPORTATION PURPOSES.**—

“(1) **IN GENERAL.**—On the first day of each of fiscal years 1999, 2000, 2001, and 2002, the Secretary, in consultation with the Secretary of Transportation, shall determine—

“(A) the excess highway receipts for such year, and

“(B) allocate such excess highway receipts among the States (as defined in section 101 of title 23, United States Code) in proportion to their respective shares of the amount described in paragraph (2)(A) in the latest fiscal year for which such data are available which is attributable to highway users in the State.

Amounts allocated to a State under this paragraph may be used only for surface transportation (including mass transit and rail) purposes.

“(2) **EXCESS HIGHWAY TAX RECEIPTS.**—For purposes of this subsection, the term ‘excess highway tax receipts’ means, with respect to any fiscal year, the excess of—

“(A) the aggregate amount which would be appropriated to the Highway Trust Fund if each of the rates specified in section 4081(a)(2)(A) were reduced by 4.3 cents, over

“(B) the sum of—

“(i) the aggregate amount which would be appropriated to the Highway Trust Fund if each of such rates equaled the core programs financing rate for such year, plus

“(ii) the aggregate of the amounts transferred from the Highway Trust Fund under paragraphs (4), (5), and (6) of subsection (c) for such year.

“(3) **CORE PROGRAMS FINANCING RATE.**—For purposes of this subsection, the term ‘core programs financing rate’ means—

“(A) after September 30, 1998, and before October 1, 1999, 12 cents per gallon,

“(B) after September 30, 1999, and before October 1, 2000, 7 cents per gallon,

“(C) after September 30, 2000, and before October 1, 2001, 4 cents per gallon, and

“(D) after September 30, 2001, 3 cents per gallon.

“(4) **ENFORCEMENT.**—If the Secretary determines that a State has used amounts under subparagraph (A) for a purpose which is not a surface transportation purpose as described in paragraph (1), the improperly used amounts shall be deducted from any amount the State would otherwise receive from the Highway Trust Fund for the fiscal year which begins after the date of the determination.”.

(b) **EFFECTIVE DATE.**—The amendment made by this section takes effect on October 1, 1998.

**SEC. 6. INTERSTATE SURFACE TRANSPORTATION COMPACTS.****(a) DEFINITIONS.**—In this section:

(1) **INFRASTRUCTURE BANK.**—The term “infrastructure bank” means a surface transportation infrastructure bank established under an interstate compact under subsection (b)(5) and described in subsection (d).

(2) **PARTICIPATING STATES.**—The term “participating States” means the States that are parties to an interstate compact entered into under subsection (b).

(3) **SURFACE TRANSPORTATION.**—The term “surface transportation” includes mass transit and rail.

(4) **SURFACE TRANSPORTATION PROJECT.**—The term “surface transportation project” means a surface transportation project, program, or activity described in subsection (b).

(b) **CONSENT OF CONGRESS.**—In order to increase public investment, attract needed private investment, and promote an intermodal transportation network, Congress grants consent to States to enter into interstate compacts to—

(1) promote the continuity, quality, and safety of the Interstate System;

(2) develop programs to promote and fund surface transportation safety initiatives and establish surface transportation safety standards for the participating States;

(3) conduct long-term planning for surface transportation infrastructure in the participating States;

(4) develop design and construction standards for infrastructure described in paragraph (3) to be used by the participating States; and

(5) establish surface transportation infrastructure banks to promote regional or other multistate investment in infrastructure described in paragraph (3).

(c) **FINANCING.**—An interstate compact established by participating States under subsection (b) to carry out a surface transportation project may provide that, in order to carry out the compact, the participating States may—

(1) accept contributions from a unit of State or local government or a person;

(2) use any Federal or State funds made available for that type of surface transportation project;

(3) on such terms and conditions as the participating States consider advisable—

(A) borrow money on a short-term basis and issue notes for the borrowing; and

(B) issue bonds; and

(4) obtain financing by other means permitted under Federal or State law, including surface transportation infrastructure banks under subsection (d).

**(d) INFRASTRUCTURE BANKS.**—

(1) **IN GENERAL.**—An infrastructure bank may—

(A) make loans;

(B) under the joint or separate authority of the participating States with respect to the infrastructure bank, issue such debt as the infrastructure bank and the participating States determine appropriate; and

(C) provide other assistance to public or private entities constructing, or proposing to construct or initiate, surface transportation projects.

(2) FORMS OF ASSISTANCE.—

(A) IN GENERAL.—An infrastructure bank may make a loan or provide other assistance described in subparagraph (C) to a public or private entity in an amount equal to all or part of the construction cost, capital cost, or initiation cost of a surface transportation project.

(B) SUBORDINATION OF ASSISTANCE.—The amount of any loan or other assistance described in subparagraph (C) that is received for a surface transportation project under this section may be subordinated to any other debt financing for the surface transportation project.

(C) OTHER ASSISTANCE.—Other assistance referred to in subparagraphs (A) and (B) includes any use of funds for the purpose of—

- (i) credit enhancement;
- (ii) a capital reserve for bond or debt instrument financing;
- (iii) bond or debt instrument financing issuance costs;
- (iv) bond or debt issuance financing insurance;
- (v) subsidization of interest rates;
- (vi) letters of credit;
- (vii) any credit instrument;
- (viii) bond or debt financing instrument security;
- and
- (ix) any other form of debt financing that relates to the qualifying surface transportation project.

(3) NO OBLIGATION OF UNITED STATES.—

(A) IN GENERAL.—The establishment under this section of an infrastructure bank does not constitute a commitment, guarantee, or obligation on the part of the United States to any third party with respect to any security or debt financing instrument issued by the bank. No third party shall have any right against the United States for payment solely by reason of the establishment.

(B) STATEMENT ON INSTRUMENT.—Any security or debt financing instrument issued by an infrastructure bank shall expressly state that the security or instrument does not constitute a commitment, guarantee, or obligation of the United States.

(e) EFFECTIVE DATE.—This section takes effect on October 1, 1998.

**SEC. 7. FEDERAL-AID FACILITY PRIVATIZATION.**

(a) DEFINITIONS.—In this section:

(1) EXECUTIVE AGENCY.—The term “Executive agency” has the meaning provided in section 105 of title 5, United States Code.

(2) PRIVATIZATION.—The term “privatization” means the disposition or transfer of a transportation infrastructure asset, whether by sale, lease, or similar arrangement, from a State or local government to a private party.

(3) STATE OR LOCAL GOVERNMENT.—The term “State or local government” means the government of—

(A) any State;

(B) the District of Columbia;

(C) any commonwealth, territory, or possession of the United States;

(D) any county, municipality, city, town, township, local public authority, school district, special district, intrastate district, regional or interstate government entity, council of governments, or agency or instrumentality of a local government; or

(E) any federally recognized Indian tribe.

(4) TRANSPORTATION INFRASTRUCTURE ASSET.—

(A) IN GENERAL.—The term “transportation infrastructure asset” means any surface-transportation-related asset financed in whole or in part by the Federal Government, including a road, tunnel, bridge, or mass-transit-related or rail-related asset.

(B) EXCLUSION.—The term does not include any transportation-related asset on the Interstate System (as defined in section 101 of title 23, United States Code).

(b) PRIVATIZATION INITIATIVES BY STATE AND LOCAL GOVERNMENTS.—The head of each Executive agency shall—

(1) assist State and local governments in efforts to privatize the transportation infrastructure assets of the State and local governments; and

(2) subject to subsection (c), approve requests from State and local governments to privatize transportation infrastructure assets and waive or modify any condition relating to the original Federal program that funded the asset.

(c) CRITERIA.—The head of an Executive agency shall approve a request described in subsection (b)(2) if—

(1) the State or local government demonstrates that a market mechanism, legally enforceable agreement, or regulatory mechanism will ensure that the transportation infrastructure asset will continue to be used for the general objectives of the original Federal program that funded the asset (which shall not be considered to include every condition required for the recipient of Federal funds to have obtained the original Federal funds), so long as needed for those objectives; and

(2) the private party purchasing or leasing the transportation infrastructure asset agrees to comply with all applicable conditions of the original Federal program.

(d) LACK OF OBLIGATION TO REPAY FEDERAL FUNDS.—A State or local government shall have no obligation to repay to any agency of the Federal Government any Federal funds received by the State or local government in connection with a transportation infrastructure asset that is privatized under this section.

(e) USE OF PROCEEDS.—

(1) IN GENERAL.—Subject to paragraph (2), a State or local government may use proceeds from the privatization of a transportation infrastructure asset to the extent permitted under applicable conditions of the original Federal program.

(2) **RECOVERY OF CERTAIN COSTS.**—Notwithstanding any other provision of law, the State or local government shall be permitted to recover from the privatization of a transportation infrastructure asset—

(A) the capital investment in the transportation infrastructure asset made by the State or local government;

(B) an amount equal to the unreimbursed operating expenses in the transportation infrastructure asset paid by the State or local government; and

(C) a reasonable rate of return on the investment made under subparagraph (A) and expenses paid under subparagraph (B).

**SEC. 8. REDUCTION IN MOTOR FUEL TAXES ON OCTOBER 1, 2002.**

(a) **REDUCTION IN TAX RATES.**—Section 4081(a)(2)(A) of the Internal Revenue Code of 1986 (relating to rates of tax) is amended—

(1) by striking “18.3 cents” and inserting “7.3 cents”,

(2) by striking “19.3 cents” and inserting “8.3 cents”, and

(3) by striking “24.3 cents” and inserting “7.3 cents”.

(b) **CONFORMING AMENDMENTS.**—

(1) Clauses (ii) and (iii) of section 4041(a)(2)(B) of such Code are each amended by striking the number of cents specified therein and inserting “4.3 cents”.

(2) Section 6427(b)(2)(A) of such Code is amended by striking “7.4 cents” and inserting “0.1 cent”.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to fuel removed after September 30, 2002.

(d) **FLOOR STOCK REFUNDS.**—

(1) **IN GENERAL.**—If—

(A) before October 1, 2002, tax has been imposed under section 4081 of the Internal Revenue Code of 1986 on any liquid; and

(B) on such date such liquid is held by a dealer and has not been used and is intended for sale; there shall be credited or refunded (without interest) to the person who paid such tax (in this subsection referred to as the “taxpayer”) an amount equal to the excess of the tax paid by the taxpayer over the amount of such tax which would be imposed on such liquid had the taxable event occurred on such date.

(2) **TIME FOR FILING CLAIMS.**—No credit or refund shall be allowed or made under this subsection unless—

(A) claim therefor is filed with the Secretary of the Treasury before April 1, 2003; and

(B) in any case where liquid is held by a dealer (other than the taxpayer) on October 1, 2002—

(i) the dealer submits a request for refund or credit to the taxpayer before January 1, 2003; and

(ii) the taxpayer has repaid or agreed to repay the amount so claimed to such dealer or has obtained the written consent of such dealer to the allowance of the credit or the making of the refund.

(3) **EXCEPTION FOR FUEL HELD IN RETAIL STOCKS.**—No credit or refund shall be allowed under this subsection with respect

to any liquid in retail stocks held at the place where intended to be sold at retail.

(4) DEFINITIONS.—For purposes of this subsection, the terms “dealer” and “held by a dealer” have the respective meanings given to such terms by section 6412 of such Code; except that the term “dealer” includes a producer.

(5) CERTAIN RULES TO APPLY.—Rules similar to the rules of subsections (b) and (c) of section 6412 and sections 6206 and 6675 of such Code shall apply for purposes of this subsection.

#### **SEC. 9. MASS TRANSPORTATION.**

(a) IN GENERAL.—Section 5338 of title 49, United States Code, is amended to read as follows:

##### **“§ 5338. Authorizations**

“There are authorized to be appropriated to the Secretary of Transportation to carry out this chapter—

“(1) \$868,000,000 for fiscal year 1999, of which—

“(A) \$304,000,000 shall be used to carry out sections 5307 and 5309;

“(B) \$95,000,000 shall be used to carry out section 5311; and

“(C) the amount remaining after allocation under subparagraphs (A) and (B) shall be used at the discretion of the Secretary, including for capital expenditure under this chapter;

“(2) \$889,000,000 for fiscal year 2000, of which—

“(A) \$212,000,000 shall be used to carry out sections 5307 and 5309;

“(B) \$97,000,000 shall be used to carry out section 5311; and

“(C) the amount remaining after allocation under subparagraphs (A) and (B) shall be used at the discretion of the Secretary, including for capital expenditure under this chapter;

“(3) \$916,000,000 for fiscal year 2001, of which—

“(A) \$119,000,000 shall be used to carry out sections 5307 and 5309;

“(B) \$100,000,000 shall be used to carry out section 5311; and

“(C) the amount remaining after allocation under subparagraphs (A) and (B) shall be used at the discretion of the Secretary, including for capital expenditure under this chapter;

“(4) \$941,000,000 for fiscal year 2002, of which—

“(A) \$27,000,000 shall be used to carry out sections 5307 and 5309;

“(B) \$103,000,000 shall be used to carry out section 5311; and

“(C) the amount remaining after allocation under subparagraphs (A) and (B) shall be used at the discretion of the Secretary, including for capital expenditure under this chapter; and

“(5) \$961,000,000 for fiscal year 2003, of which—

“(A) \$0 shall be used to carry out sections 5307 and 5309;

“(B) \$105,000,000 shall be used to carry out section 5311; and

“(C) the amount remaining after allocation under subparagraphs (A) and (B) shall be used at the discretion of the Secretary, including for capital expenditure under this chapter.”.

(b) **EFFECTIVE DATE.**—The amendment made by this section takes effect on October 1, 1998.

**SEC. 10. REPORT TO CONGRESS.**

Not later than 180 days after the date of enactment of this Act, after consultation with the appropriate committees of Congress, the Secretary of Transportation shall submit a report to Congress describing such technical and conforming amendments to titles 23 and 49, United States Code, and such technical and conforming amendments to other laws, as are necessary to bring those titles and other laws into conformity with the policy embodied in this Act and the amendments made by this Act.

**SEC. 11. EFFECTIVE DATE CONTINGENT UPON CERTIFICATION OF DEFICIT NEUTRALITY.**

(a) **PURPOSE.**—The purpose of this section is to ensure that—

(1) this Act will become effective only if the Director of the Office of Management and Budget certifies that this Act is deficit neutral;

(2) discretionary spending limits are reduced to capture the savings realized in devolving transportation functions to the State level; and

(3) the tax reduction made by this Act is not scored under pay-as-you-go and thereby inadvertently trigger a sequestration.

(b) **EFFECTIVE DATE CONTINGENCY.**—Notwithstanding any other provision of this Act, this Act and the amendments made by this Act shall take effect only if—

(1) the Director of the Office of Management and Budget (referred to in this section as the “Director”) submits the report as required in subsection (c); and

(2) the report contains a certification by the Director that the reduction in discretionary outlays resulting from the enactment of this Act (assuming appropriation amounts described in paragraph (2)(B)) is at least as great as the sum of the net reduction in receipts and direct spending provided in this Act for each fiscal year through 2003.

(c) **OMB ESTIMATES AND REPORT.**—

(1) **REQUIREMENTS.**—Not later than 7 calendar days (excluding Saturdays, Sundays, and legal holidays) after the date of enactment of this Act, the Director shall—

(A) estimate the net change in receipts and in direct spending resulting from the enactment of this Act for each fiscal year through 2003;

(B) estimate the net change in discretionary outlays resulting from the reduction in budget authority under this Act for each fiscal year through 2003;

(C) determine, based on those estimates, whether the reduction in discretionary outlays resulting from the enactment of this Act (assuming appropriation amounts described in paragraph (2)(B)) is at least as great as the sum of the net reduction in receipts and direct spending provided in this Act for each fiscal year through 2003; and

(D) submit to the Congress a report setting forth the estimates and determination.

(2) APPLICABLE ASSUMPTIONS AND GUIDELINES.—

(A) REVENUE AND DIRECT SPENDING ESTIMATES.—The revenue and direct spending estimates required under paragraph (1)(A) shall be predicated on the same economic and technical assumptions and scorekeeping guidelines that would be used for estimates made pursuant to section 252(d) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 902(d)).

(B) OUTLAY ESTIMATES.—The outlay estimates required under paragraph (1)(B) shall be determined by comparing the estimated amounts of discretionary outlays that would flow from the new budget authority authorized in this Act on the assumption that subsequent appropriation Acts will provide amounts consistent with this Act (and that obligation limitations set forth in such appropriation Acts, if any, equal the corresponding levels of contract authority provided in this Act) and the corresponding amounts of discretionary outlays assumed in House Concurrent Resolution 84 (105th Congress) and House Report 105–116.

(d) CONFORMING ADJUSTMENT TO DISCRETIONARY SPENDING LIMITS.—Upon compliance with the requirements specified in subsection (b), the Director shall adjust the adjusted discretionary spending limits for each fiscal year under section 251(c) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(c)) by the estimated reductions in discretionary outlays under subsection (c)(1)(B).

(e) PAYGO INTERACTION.—Upon compliance with the requirements specified in subsection (b), no changes in receipts or direct spending estimated to result from the enactment of this Act shall be counted for the purposes of section 252(d) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 902(d)).